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May 25, 2000

Via Hand-Delivery

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: Application of Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. for an Adjustment in its Rates and Charges, the Approval of Revised Tariffs and the Approval of Revised Service Regulations – Docket No. 99-00994

Dear Mr. Waddell:

On May 18, 2000, Nashville Gas Company and the Consumer Advocate Division of the Office of the Attorney General filed a stipulation in which the stipulating parties agreed to an annual rate increase of \$4,944,000. Under the terms of the settlement, no changes would be made in the rates for Ford Motor Company (Ford) and Visteon Corporation (Visteon) as a result of the stipulation.

The purpose of this letter is to advise you that the Ford and Visteon support the rate design as to Special Contract customers and do not oppose the stipulation as to other matters. In support of its position in this proceeding and the stipulation as to Special Contracts, Ford and Visteon are filing the enclosed affidavit of James Mulholland pursuant to T.C.A. §4-5-313. Mr. Mulholland does not intend to appear at the hearing unless a party or the TRA notifies me that they wish him to be available for cross-examination. Ford and Visteon reserve their

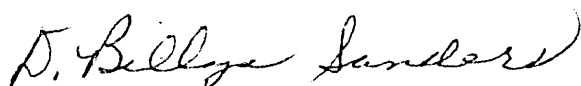
K. David Waddell

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rights to oppose and/or appeal any changes in their rates if the Authority should not approve the stipulation.

Sincerely,

A handwritten signature in cursive script that reads "D. Billye Sanders".

D. Billye Sanders

DBS:lmb

cc: Parties of Record
James P. Zietz, Esq.
James Muholland

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**


In re: Application of Nashville Gas)
Company, a Division of Piedmont Natural)
Gas Company, Inc., for an Adjustment of)
Its Rates and Charges, the Approval of)
Revised Tariffs and the Approval of Revised)
Service Regulations)

Docket No. 99-00994

**NOTICE OF FILING OF THE AFFIDAVIT
OF JAMES J. MULHOLLAND ON BEHALF
OF FORD MOTOR COMPANY AND VISTEON CORPORATION**

The accompanying affidavit of James J. Mulholland will be introduced as evidence at the hearing in this docket. James J. Mulholland will not be called to testify orally and you will not be entitled to question such affiant unless you notify D. Billye Sanders, Esq. at Waller Lansden Dortch & Davis, PLLC, 511 Union Street Suite 2100, Nashville, Tennessee 37219, (615) 244-6380, that you wish to cross-examine such affiant. To be effective, your request must be mailed or delivered to D. Billye Sanders on or before June 1, 2000.

Respectfully Submitted,



D. Billye Sanders, Esq.
Waller Lansden Dortch & Davis
A Professional Limited Liability Company
511 Union Street, Suite 2100
Nashville, Tennessee 37219-1760
(615) 244-6380

Attorney for Ford Motor Company and
Visteon Corporation

Certificate of Service

I, D. Billye Sanders, hereby certify that I have served a copy of the foregoing Notice of Filing, on the parties of record listed below via United States Mail, postage prepaid, addressed as shown on such list on this 25th day of May, 2000.

D. Billye Sanders

Jerry W. Amos, Esq.
Amos & Jeffries, L.L.P.
1230 Renaissance Plaza
230 North Elm Street
P.O. Box 787
Greensboro, North Carolina 27402

Vance L. Broemel, Esq.
Consumer Advocate Division
Office of the Attorney General & Reporter
425 Fifth Avenue North, Second Floor
Nashville, Tennessee 37243-0500

Attorney for Nashville Gas Company

T. G. Pappas, Esq.
R. Dale Grimes
Bass, Berry & Sims
2700 First American Center
Nashville, Tennessee 37238

George H. Godwin
Executive Director
Associated Valley Industries, Inc.
1204 Cleo Avenue S.E.
Decatur, Alabama 35601

Attorney for Nashville Gas Company

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

In re: Application of Nashville Gas)
Company, a Division of Piedmont Natural)
Gas Company, Inc., for an Adjustment of)
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Revised Tariffs and the Approval of Revised)
Service Regulations)

Docket No. 99-00994

AFFIDAVIT OF JAMES J. MULHOLLAND

STATE OF MICHIGAN

COUNTY OF WAYNE

Affiant James J. Mulholland, after first being duly sworn, hereby states:

1. I am over the age of 21 years, and make this affidavit from my personal knowledge.

2. I currently serve as the Manager of Natural Gas Programs for Ford Motor Land Services Corporation ("FMLSC"), a Delaware corporation. FMLSC is a wholly-owned subsidiary of Ford Motor Company ("Ford"), which has filed a Petition for Intervention in this docket.

3. In my capacity as Manager of Natural Gas Programs, I am in charge of procuring gas supply for Ford Motor Company and its subsidiaries, including Visteon Corporation, which has also filed a Petition for Intervention in this docket. Visteon Corporation currently operates a glass plant in Nashville (the "Glass Plant"). The Glass Plant currently employs approximately 1400 employees in Tennessee.

4. The Glass Plant relies upon natural gas for its day-to-day operations. In order to meet such demand, Ford negotiated a bypass deferral contract with Piedmont Natural Gas Company ("Piedmont") in 1993 which allowed the Glass Plant to transport natural gas to its facility at a specified rate agreed to by Piedmont and Ford. That contract was approved by the Tennessee Public Service Commission on April 6, 1993.

5. The contract between Ford and Piedmont has been extended through an Extension Agreement, approved by the Tennessee Regulatory Authority ("TRA") by order dated March 12, 1999, in Docket No. 98-00128. The intent of Piedmont and Ford in the original contract and Extension Agreement was to preserve the negotiated rate for the duration of the contract. The rate was set based upon economic problems that the Glass Plant has been facing since 1993, and the viable alternative of a bypass in order to achieve a more competitive rate.

6. The certainty of the natural gas transportation rate during the term of the contract is important to the operations of the Glass Plant because the glass manufacturing industry continues to be highly competitive and the industry continues to have more capacity than is required. Consequently, the economic situation at the Glass Plant has not significantly improved since 1993 and continuation of the rate is necessary for the plant to remain viable.

FURTHER AFFIANT SAITH NOT.

James J. Mulholland

JAMES J. MULHOLLAND
Manager, Natural Gas Programs
Ford Motor Land Services Corporation

Sworn to and subscribed before me, this 24 day of May, 2000.

Janice Ligetti
Notary Public

JANICE LIGETTI
Notary Public, Wayne County, Michigan
My Commission Expires August 10, 2000

My Commission expires: _____